

**R865. Tax Commission, Auditing.**

**R865-19S. Sales and Use Tax.**

**R865-19S-98. Sales ~~[to Nonresidents of]~~ and Use Tax Exemption for Vehicles, Off-highway Vehicles, and Boats Required to be Registered, and [Sales to Nonresidents of] Boat Trailers and Outboard Motors Pursuant to Utah Code Ann. Section 59-12-104.**

(1) "Use" means mooring, slipping, and dry storage as well as the actual operation of vehicles.

~~[(2) In order to qualify as a nonresident for the purpose of exempting vehicles from sales tax under Subsections 59-12-104(9) and 59-12-104(31), a vehicle owner may not:~~

- ~~(a) be engaged in intrastate business within this state;~~
- ~~(b) maintain a vehicle with this state designated as the home state;~~
- ~~(c) except in the case of a tourist temporarily within this state, occupy a Utah residence;~~
- ~~(d) operate an interstate business that occupies real property within the state;~~
- ~~(e) except in the case of an employee who can clearly demonstrate that the use of the vehicle in this state is to commute to work from another state, be engaged in a trade, profession, or occupation or accept gainful employment in this state;~~
- ~~(f) allow the purchased vehicle to be kept or used by a resident of this state; or~~
- ~~(g) declare residency in Utah to obtain privileges not ordinarily extended to nonresidents, such as attending school or placing children in school without paying nonresident tuition or fees, or maintaining a Utah driver's license.]~~

~~[(3) The fact that a resident leaves the state temporarily is not sufficient to terminate residency.]~~

~~[(4)]~~ (2) ~~[A nonresident]~~ An owner of a vehicle described in ~~[Section]~~ Subsections 59-12-104(9) or (31) may continue to qualify for the exemption provided by that section if use of the vehicle in this state is infrequent, occasional, and nonbusiness in nature.

~~[(5) A nonresident owner of a vehicle described in Subsection 59-12-104(31) may continue to qualify for the exemption provided by that section if use of the vehicle in this state does not exceed 14 days in any calendar year and is nonbusiness in nature.]~~

~~[(6)]~~ (3) ~~[Vehicles are]~~ A vehicle is deemed not used in this state beyond the necessity of transporting ~~[them]~~ it to the borders of this state if ~~[purchased by]~~ the vehicle is:

~~[(a) a nonresident student who will be permanently leaving the state within 30 days of the date of purchase; or]~~

~~[(b) a nonresident member of the military stationed in Utah, but with orders to leave the state permanently within 30 days of the date of purchase]~~

(a) inspected in this state; or

(b) tested for functionality in this state.

~~[(7) (a) Except as provided in Subsection (7)(b), there is a rebuttable presumption that a vehicle owner may not receive the sales tax exemption described in Subsections 59-12-104(9) or (31) if a vehicle owner does not satisfy:~~

~~(i) the requirements of a nonresident under Subsections R865-19S-98(2) and (3); and~~

~~(ii) the use limitations under Subsections R865-19S-98(4) (6).~~

~~(b) Notwithstanding Subsection (7)(a), the commission may, pursuant to an appeal filed under Title 63, Chapter 46b, Administrative Procedures Act, allow an exemption to a vehicle owner if the vehicle owner presents evidence that the sales tax exemption under Subsections 59-12-104(9) or (31) should apply.~~

~~(8) Each purchaser, both buyer and co-buyer, claiming this exemption must complete a nonresident affidavit. False, misleading, or incomplete responses shall invalidate the affidavit and subject the purchaser to tax, penalties, and interest.~~

~~(9) A dealer of vehicles who accepts an incomplete affidavit, may be held liable for the appropriate tax, interest, and penalties.~~

~~(10) A dealer of vehicles who accepts an affidavit with information that the dealer knows or should have known is false, misleading or inappropriate may be held liable for the appropriate tax, interest, and penalties.]~~

**KEY: charities, tax exemptions, religious activities, sales tax**